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March 7, 2000

Ms. Magalie Roman Salas  
Secretary  
Federal Communications Commission  
445-12th Street, SW  
Room TW-A325  
Washington, DC 20554

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FEDERAL COMMUNICATIONS COMMISSION  
OFFICE OF THE SECRETARY

Re: **Ex Parte Notice**  
**CC Docket No. 99-200**


Dear Ms. Salas:

On March 6, 2000, Paul Hart and John Hunter of the United States Telecom Association (USTA), met with Peter Tenhula and Michelle Cotter of Commissioner Michael K. Powell's Office.

The purpose of the meeting was to discuss USTA's opposition to the State Coordination Group's proposed revisions to the INC Thousand Block Pooling Administration Guidelines in the context of the above-referenced Number Resource Optimization proceeding. The attached items were part of the discussion and were distributed at the meeting.

An original and one copy of this *ex parte* notice are being filed in the referenced docket with the Office of the Secretary. Please include it in the public record of the above-referenced proceeding.

Respectfully submitted,

  
John W. Hunter  
Senior Counsel

Attachments (2)

cc: w/o att: Peter A. Tenhula  
w/o att: Michelle Cotter

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# Opposition to State Coordination Group's Proposed Revisions to the INC Thousand Block (NXX-X) Pooling Administration Guidelines

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Number Resource Optimization Proceeding  
CC Docket No. 99-200

United States Telecom Association  
March 6, 2000

# **Major Concerns:**

- **Allowing each state to develop its own unique set of pooling guidelines would create an administrative nightmare for both the Pooling Administrator (PA) and those carriers operating within multiple states. In addition, acceptance of such changes will delay implementation of national pooling due to a need to renegotiate the PA terms and finalize the administrative and functional requirements.**
- **Higher costs would be encountered for administration, operations and implementation.**
- **Inconsistent with a long-standing Commission determination of the need for national uniformity.**
- **Disregards current industry agreements and the process used to reach those agreements. Modifications made outside of the Industry Numbering Committee (INC) process would lack insight into the rationale behind the original decisions and would provide the industry with no opportunity to conduct a full assessment of the impacts of those changes.**

# Major Concerns:

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- **The proposal exceeds the scope of the delegated authority. For example, in the Order delegating authority to conduct thousand block pooling trials to the California Public Utilities Commission, the FCC stated:**

**[W]e direct the California Commission to conduct its pooling trials in accordance with industry-adopted thousands-block pooling guidelines. Where the California Commission determines that change, modifications, or departures from the guideline are desirable, we direct the California Commission to consult with the industry prior to implementing such changes....[T]he California Commission should, at a minimum, seek input from the industry regarding the implications of any proposed changes to the guidelines so that the California Commission may be able to weigh the industry's concerns in its decision-making process.**

**Order, CC Docket No. 96-98, NSD File No. L-98-136, released September 15, 1999, ¶14. The Commission included similar directives in its grants to other states.**

## **Pertinent Facts:**

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- **INC guidelines were developed by some of the industry's best numbering experts with all industry segments represented. State agencies have always been welcome and encouraged to attend.**
- **NANC has endorsed the INC guidelines**
- **The NANC Thousand Block Pooling Issues Management Group's (IMG's) review has concluded:**
  - **There is a critical need for uniformity of national pooling guidelines.**
  - **The lack of uniformity would result in operational difficulties, higher costs, more complex systems, and would delay national pooling rollout.**

# **Conclusions:**

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- **USTA does not support the state coordination group's ex parte proposing state-specific changes to the INC guidelines.**
- **USTA believes that changes proposed by any entity (to the guidelines) should be introduced and worked by the INC.**
- **USTA supports the conclusions reached by the NANC Thousand Block Pooling IMG.**
- **USTA and the industry agree that a nationwide thousand block pooling architecture could make more efficient use of NXX codes.**
- **USTA believes that once national pooling is mandated, all future implementations of pooling must adhere to those national standards and all existing implementations must be brought quickly into compliance.**

Mr. Larry Strickling  
Chief, Common Carrier Bureau  
Federal Communications Commission  
445 12<sup>th</sup> Street S.W.  
Washington, DC 20554

Dear Mr. Strickling:

During 1998, the North American Numbering Council (NANC) developed requirements for the proposed Thousand Block Pooling Administrator and conveyed a draft of the requirements document to the Commission as part of NANC's NRO Report in October 1998. Subsequently, the NANC worked closely with the Industry Numbering Committee (INC) to develop a set of uniform national guidelines for the pooling administrator position. Following this, NANC endorsed the guidelines.

On January 20, 2000, the State Coordination Group filed an *ex parte* communication with the Commission in CC Docket No. 99-200 recommending certain modifications to the guidelines for the pooling administrator. NANC asked its Pooling Administration Issue Management Group to prepare a response to this *ex parte* communication and discussed the issue at its February 2000 meeting.

The purpose of this letter is to provide this background and inform you that the NANC has not developed a consensus response to the *ex parte* communication. Due to the limited amount of time before the Commission is expected to issue an order in CC Docket No. 99-200, we do not anticipate providing a response prior to the order.

In view of these developments, NANC has determined the following:

- NANC has not modified its position on the pooling administrator guidelines;
- NANC will continue to discuss the issues raised in the *ex parte* filing and report future consensus positions to the Commission;
- NANC encourages state and consumer interests on NANC to present these proposed modifications of the guidelines at future INC meetings; some industry members on NANC offered to assist state and consumer interests with the process.

Sincerely,

John R. Hoffman  
NANC Chair

February 18, 2000

John R. Hoffman  
NANC Chair  
6607 Willow Lane  
Mission Hills, KS 66208

Dear Mr. Hoffman:

This is in response to your request to the North American Numbering Council (NANC) Thousand Block Pooling Issues Management Group (IMG) to review the key impacts of the changes proposed by the State Coordination Group's January 20, 2000 ex parte letter to the FCC regarding the Industry Numbering Committee (INC) Thousands Block Pooling Administration Guidelines. The attached matrix contains the states' proposed guideline changes and the associated impacts to the pooling administrator and to service providers in general.

### **DISCUSSION**

The IMG has concluded that there is a critical need for uniformity of national pooling guidelines. Non-uniform guidelines would impose a significant negative impact and burden to both service providers and the pooling administrator. The lack of uniformity would result in operational difficulties, higher costs, more complex systems, and would delay national pooling roll out. Some entities have already begun to implement system changes to support the pooling assignment process as currently defined in the INC pooling administration guidelines. The following is a summary of the essential issues and additional cost drivers:

1. Pooling administration activities, if implemented using a different methodology in each state, will cause major operations and administrative burdens that would result in increased costs for both the service providers and the pooling administrator. The service providers and the pooling administrator would need to create costly sub-systems to address the utilization reporting needs of each state's approaches. Using different criteria in each state would lead to the inconsistent evaluations of similar service provider data under the same set of conditions. The use of utilization data based upon each state's unique approach would likely lead to inconsistent outcomes if used by a national pooling administrator to determine when to reclaim or assign critical numbering resources. Unique utilization approaches could also distort the effectiveness of NANP exhaust projections.



2. The NANC directed the removal of the "utilization" portion of the pooling administration requirements, and the INC adjusted its guidelines accordingly. This change was based upon several factors:
  - A. The Central Office Code Administrator is already required to collect and manage industry COCUS forecast and utilization data.
  - B. NANC's NRO has evaluated and recommended that utilization data be collected bi-annually and is currently developing new COCUS requirements and a tool that incorporates the use of utilization data when forecasting NPA and NANP exhaust.
  - C. The pooling administrator only requires limited forecast information to manage the industry pool and requiring the pooling administrator to collect additional data would be a duplication of efforts at an additional substantive cost to the industry.

Also, reporting on a quarterly basis would not provide meaningful data due to the timing and resource replenishment cycle of 66 days to open an NXX and the additional 21 day cycle to obtain a block from the pooling administrator. In addition, reducing these intervals may cause service and customer affecting issues when the NXX has not been entirely opened throughout the public switched telecommunication network and in all customer premise equipment or private branch exchanges.

3. Individual state developed and maintained pooling guidelines will negate the value of having consistent national pooling guidelines. The complexity of this issue depends on the volume of unique guidelines the pooling administrator must maintain. This complexity will influence the initial pooling administration system design and create on-going issues with system implementation and management. Such changes would result in additional costs over and above the current cost for the single pooling administration system based on a standard set of requirements vs. unknown requirement for unique processes and system capacity. Pooling administration system or requirement changes of this potential volume would likely effect the overall pooling implementation timeline.
4. Restricting access to numbers based upon service providers having interconnection arrangements in place will change the current assignment process from one that runs in parallel to a serial approach. Today a new entrant has the ability to obtain

numbering resources in parallel with interconnection arrangements, and network and equipment build out. This could also create potential competitive issues with one service provider being able to restrict another's market entry based on a slowing of the facilities interconnection process. If the current reclamation process is followed there is no need to impose a different restrictive process. In addition, the pooling administrator will be required to monitor and maintain a process to ensure that all interconnection arrangements are in progress before assigning a resource.

5. Giving priority of resource assignments to the pooling administrator in a jeopardy lottery process over non-LNP service providers could have a discriminatory affect on non-LNP service providers.
6. Reducing service provider pooled inventories from nine months to six months would not have a significant impact; however, customers may be affected if there are delays with obtaining resources. Further reducing inventories, on the other hand, would have a significant impact to the ability of service providers to serve the public.

## CONCLUSION

The IMG concluded that a uniform national pooling administration structure is critical. A thousand block pooling structure revamps the current CO Code assignment process and is a critical step towards managing the numbering crisis and ultimately delaying NANP exhaust. The key impacts discussed above would have a negative impact on both the service providers as well as the pooling administrator. Any delay in implementing a highly automated national pooling administration system would have severe negative consequences on the pooling administrator, service providers, and ultimately end users.

Sincerely,

A handwritten signature in cursive script, reading "Peter P. Guggina".

Peter P. Guggina  
1K IMG Chair

## IMG Analysis of 1-20-00 State Coordination Group Proposed Changes to INC Pooling Guidelines

Proposed Change/Modification to the INC 1k Pooling Administration Guidelines (Dec. 1999)	Guideline Section	NPRM Reference	Impact to PA Requirements	Impacts to SP
Guidelines not binding on a state, state or state industry planning group may deviate from guidelines as deemed appropriate and consistent with FCC policies	1.0	Yes; ¶35	Major - Modification and changes to the guidelines on a state by state basis will minimize any efficiency previously gained by operating under one common set of guidelines. It may ultimately increase costs substantially for the PA system and PA operations	Major In general: different state implementations will be a major impact to carriers
Resources to be administered by state commissions/FCC -	2.1	General issue in NPRM	Major - Unknown impact Need further clarification	Major
Possible sequential number assignments - requires SP to assign out of a given block, ignoring customer requests	2.7 (d)	Yes; ¶190	None if no PA enforcement Major if PA enforcement	Major—customer choice needs to be supported- customer will shop for numbers
State PUC part of SP auditing process - enables state regulators to do auditing	2.9	Yes; ¶88	Unknown impact additional clarification on PA involvement - potential major; do not know audit process. PA is doing for cause application audits—anything beyond that application would be more work. Also applies to designated auditor	Unknown – type, frequency, and how consistent among state, how will states be involved

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Proposed Change/Modification to the INC 1k Pooling Administration Guidelines (Dec. 1999)	Guideline Section	NPRM Reference	Impact to PA Requirements	Impacts to SP
Removed requirement for "minimum" block application information Clarification from Trina: States want to be sure that they can get any information that they need. All consistent with what FCC final rules. I.E. if FCC final order like interim orders—requirements can be different in every state.	3.4		Major – Clarification required for full impact to be determined. Additional information may be required—not sufficient info to determine impact. If the info is uniform nationally and as specified—no change if its not specified-- unknown	Major: If different for every state.
Added requirement for compliance with any properly imposed fill rate for block requests. Clarification from Trina: "properly imposed" means pursuant to authority delegated from the FCC	4.3 (c)	Yes; ¶63	Major - If varies by state. Also minimizes efficiencies gained. Also is the PA to validate or wait for other party to validate before assignment	Major- (subset of 3.4) if different validation requirements or a range of utilization
Added SP must abide by all regulatory requirements	4.4 (d)	Yes; ¶92	Unknown – Need further clarification on requirement. Who does the enforcement?	Unknown- SP already abide by regulatory requirements.
PA subject to review and oversight by state PUC	5.0		Major It would appear that the PA activities may be subject to review and oversight by 50 states in addition to the FCC. What does this entail and is it consistent between states?	Unknown – until that oversight is defined. No impact to SP interfaces

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Proposed Change/Modification to the INC 1k Pooling Administration Guidelines (Dec. 1999)	Guideline Section	NPRM Reference	Impact to PA Requirements	Impacts to SP
PA to work with state PUC and CO Code Admin on NPA relief	5.1.1 (d)	See CO Guidelines	Minor as long as a separate PA person not needed at every NPA relief meeting Medium to major if separate additional PA person required	No impact
PA database to be accessible to state PUC	5.1.1 (j)	Yes; ¶78	Unknown – additional details on requirement necessary to determine impact	Unknown- appears to be minor impact for SP
PA to generate 1k forecast using SP forecasts and utilization data obtained by PA, state PUC or NANPA	5.2 (a)		Major This not currently addressed under PA. This is similar to the COCUS replacement model	Major if the SP has to submit more data than COCUS0 cost impact
Added PA to require state certification and interconnection arrangements before assigning block to SP	5.3 (b)	Yes; ¶59	Major PA currently does not enforce interconnection arrangements	Requiring interconnection arrangement in place before getting numbers is a major impact
PA may be required to provided SP specific data to auditor or regulatory process	5.6		Unknown – need additional information to assess.	Unknown- don't know if this allows additional data or is just pooled data. Minor impact if PA is handing over already collected data. Confidentiality of the data is a major concern
Require SP quarterly forecast reporting on Jan 1, April 1, July 1, and Oct. 1	6.0	Yes; ¶ 77 “tentatively conclude” need for quarterly reporting	Major- may have minimal gains from a PA perspective – COCUS reporting	Major – with minimal gains- COCUS reporting. NANC recommended that COCUS be done 2 times a years

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Proposed Change/Modification to the INC 1k Pooling Administration Guidelines (Dec. 1999)	Guideline Section	NPRM Reference	Impact to PA Requirements	Impacts to SP
PA to adjust forecast report quarterly, report to be based on 3 months of data.	6.1.1	Yes; ¶77	Major - may have minimal gains from a PA perspective	Major – with minimal gains- COCUS reporting. NANC recommended that COCUS be done 2 times a years
Added SP penalty for forecasts that are 30 percent + above actual utilization for 3 quarters or more – State PUC to determine punishment	6.3	Yes; ¶92	Major if PA has to do enforcement also undermine PA ability to keep pools full	Major
Reduced PA industry pool inventory to 6 months	8.0	Yes; ¶192	Minor	None to minor. <sup>1</sup>
Reduced PA minimum inventory level to 3 months	8.0 (d)	Yes; ¶192	Minor	Major—takes more than 3 months to activate numbers—so pool will be short of number blocks
PA and State PUC determine implementation timeline- SP's submit input	8.1	Yes; ¶ 146	Minor	Major
PA industry pool established with 6 month inventory	8.1 (f)	Yes; ¶192	Minor	None to minor.
Removed industry consensus from 1 <sup>st</sup> Implementation meeting requirement	8.2.2		Minor	Major
Changed process for PA scheduling of 1 <sup>st</sup> Implementation meeting	8.2.2		Minor	Minor
SP's can only retain 6 month inventory	8.2.5 (a)	Yes; ¶192	Minor to none	None to minor impact.

<sup>1</sup> GTE is concerned that a six month inventory for the pooling administrator or for the service provider inventory could lead to a number shortage in the pool and that any change to these timeframes should be addressed after pooling is in place nationally for 6-9 months.

## IMG Analysis of 1-20-00 State Coordination Group Proposed Changes to INC Pooling Guidelines

Proposed Change/Modification to the INC 1k Pooling Administration Guidelines (Dec. 1999)	Guideline Section	NPRM Reference	Impact to PA Requirements	Impacts to SP
SP's can only retain blocks if technically impossible	8.2.5 (b)		Minor to none - Who enforces?	Unknown- Who determines what's "technically impossible"
Changed industry inventory level to 6 months to determine pool surplus or deficiency	8.2.6	Yes; ¶192	Minor to none.	None to minor impact
Changed SP inventory requirement to 6 months at block donation/pool start date	8.2.7	Yes; ¶192	Minor to none.	None to minor impact.
Deviations to 66 day NXX opening will be determined by state PUC – attempt to keep interval not less than 30 days	8.2.7		Unknown – need clarification. Does this mean that you need state approval before you can expedite an NXX code opening?	Major impact – does this mean that you need state approval before you can expedite an NXX code opening?
Ongoing PA pool inventory to be not more than 6 months	8.3	Yes; ¶192	None.	None to minor impact.
SPs to "voluntarily" return surplus inventory over 6 months supply. This entire section is already part of the guidelines, the only change was from 9 to 6 months – states did not introduce the idea of "voluntarily" returning blocks	8.4.3	Yes; ¶192	Minor as long as PA does not have to do enforcement Major if the PA has to do enforcement	None to minor impact.
PA to analyze SP forecasts to maintain 6 month inventory	8.4.4	Yes; ¶192	Minor	None to minor impact.
PA to apply for NXX only when inventory will exhaust in 6 months	8.5.1	Yes; ¶192	Minor	SP impact only when customer has request for entire NXX code
LERG Assignee NXX application to have 6 month history /projected demand	8.5.2	Yes; ¶192	Minor	Already required- months- to-exhaust worksheet

## IMG Analysis of 1-20-00 State Coordination Group Proposed Changes to INC Pooling Guidelines

Proposed Change/Modification to the INC 1k Pooling Administration Guidelines (Dec. 1999)	Guideline Section	NPRM Reference	Impact to PA Requirements	Impacts to SP
Requests for NXX include 6 months of growth/projected demand	8.5.3	Yes; ¶192	Minor	Already required with resource application - Months-to-exhaust worksheet
Can't request block assignments more than 6 months in advance	9.1	Yes; ¶192	Minor	Major- switch vendors build routing tables for new switches in advance of switch implementation
PA must rather than may review block application for "reasonableness"	9.3.1	Yes; ¶61	Minor	No impact
Growth NXXs, SP must certify that exhaust in 6 months	9.3.4 (a)	Yes; ¶192	None	No impact except when you have specific customer requests for entire NXX
SP must provide specific technical limitation associated with block request and provide supporting documentation	9.3.4 (b)		Unknown – need additional information on the requirement	Unknown- it is dependant on how its implemented
SP must place assigned block into service in 6 months or will start to reclaim This language was already in place, states only changed start date of process from 9 to 6 months.	9.3.10	Yes; ¶98	Minor	Unknown
State PUC has authority to order NANPA or PA to reclaim blocks/NXXs "pursuant to any authority delegated to the states by the FCC"	10.0	Yes; ¶100	Minor	Unknown
If SP not put block into service can request 90 day extension	10.1.4	Yes; ¶ 99 FCC recommends only 60 days	Minor	Minor



## IMG Analysis of 1-20-00 State Coordination Group Proposed Changes to INC Pooling Guidelines

Proposed Change/Modification to the INC 1k Pooling Administration Guidelines (Dec. 1999)	Guideline Section	NPRM Reference	Impact to PA Requirements	Impacts to SP
When PA starts reclaim SP has 10 days to contact PA must also copy State PUC on all associated documents	10.2.3		Unknown – need additional clarification on requirement	Major impact if 10 days is the timeframe—10 days not enough time in the business process. No impact to copy to State PUC
In jeopardy situations industry pool inventory reduced to 3 months	11.1.1	Yes; ¶192	Minor	Major- can't get new NXXs activated in 3 months
In jeopardy SP certify exhaust in 3 months	11.1.1 (c)	Yes; ¶192	Minor	Major- if can not get new NXXs activated in 3 months
PA shall work with the..... state PUC.	11.1.2 (a)		Unknown - need clarification of requirement	No impact
In jeopardy, PA “in conjunction with the state regulatory commission and/or its consultants will: implement each thousand block pooling conservation procedure as required; and notify the affected parties and the CO Code Administrator of the implementation.	11.1.2 (b)		Unknown – need clarification of requirement	No impact
PA has priority treatment in jeopardy lottery	11.3		None to Minor	No impact on carriers participating in the pool Major impact to Carriers not participating in pool
Added statement: “Any audit guidelines adopted or referenced herein will in no way impede a state’s ability to conduct its own for cause or random audits of SPs.”	12.0		Minor - if no PA involvement, otherwise may be major.	No major impact